

CONFIDENTIAL
Central Intelligence Agency



Washington, D. C. 20505

Executive Registry

84-1042/2

20 APR 1984

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DDA 84-105311

MEMORANDUM FOR: Admiral John M. Poindexter
Deputy Assistant to the President
on National Security Affairs

SUBJECT: National Policy on Telecommunications and
Automated Information Systems Security (U)

REFERENCE: NSC Draft Revision of PD/NSC-24, subject as
above, dated 3 April 1984

1. The proposed NSDD does not accurately recognize the DCI's statutory responsibilities and authorities as outlined in Executive Order 12333, dated 4 December 1981; the National Security Act of 1947, as amended; the CIA Act of 1949, as amended; or other applicable laws. Language of principal concerns were discussed with [redacted] of NSA on 17 April 1984 and acceptable language, as outlined in Attachment 1, was developed. It is my understanding that NSA has agreed to the proposed changes. (C)

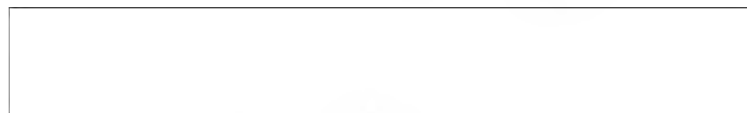
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2. Other issues we believe should be addressed are noted in Attachment 2. (U)

3. In view of the ongoing efforts by the Secretary of Defense, SIG(I), OMB, and the DCI to review current policies and procedures in the automated information systems security area and to recommend future courses of action, it seems premature to include automated information systems security in the manner set forth in the proposed NSDD. While I support the need for a consolidated effort to define proposed standards and to identify security products and services such as recently initiated within DoD, the roles of an Executive Agent and a national manager in this area need to be clarified. (C)

4. I fully support the need for an improved approach to dealing with problems in telecommunications and information systems security and believe we can reach agreement on how to deal with our immediate concerns. (C)

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John N. McMahon
Deputy Director of Central Intelligence

Attachment:
As Stated

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Attachment I

Page 3, paragraph 4.a.(4) -

Review and approve consolidated COMSEC Resources Program (CRP) and budget proposals. This responsibility does not involve those responsibilities connected with the overall National Foreign Intelligence Program (NFIP) budgetary process in either the COMSEC or automated information systems security areas.

Page 6, paragraph 6.g. -

Develop and submit to the Steering Group a proposed COMSEC consolidated resources program budget for each fiscal year.

Page 6, paragraph 7.b. -

Conduct foreign communications security liaison relationships, except for those foreign liaison relationships conducted for intelligence purposes in accordance with policies formulated by the Director of Central Intelligence.

Page 7, paragraph 7.d. -

Assess the overall security posture and disseminate information on hostile threats to national telecommunications and automated information systems security.

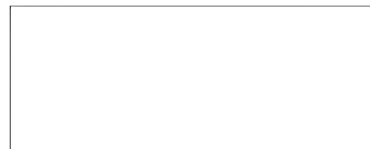
Page 7, paragraph 7.g. -

Review annually the communications security program and resource requirements of the departments and agencies of the Government and submit this to the Executive Agent.

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Attachment II

1. Pages 4, 5, and 7 - The authority for the publication of policies, directives and guidelines is not clearly defined. There is ambiguity between paragraphs 5.b.(1), 5.b.(4), 6, 6.c, and 7.f. These paragraphs should be rewritten for clarity. The NCSC charter provides a mechanism for the review and coordination of proposed National Policy Directives by the heads of departments and agencies prior to promulgation. Such a mechanism is implied in paragraph 5.b.(4), but is contradicted by paragraphs 6, 6.c, and 7.f. (C)

2. Page 8, paragraph 10.b., change to read: "Provides the NTISSC, the Secretary of Defense or the Director, National Security Agency authority to examine the facilities of other departments and agencies or monitoring official government telecommunications without receiving prior approval of the head of such department or agency." (C)

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Washington, D.C. 20505

*Ltr. has not
been revised
as yet.*

MEMORANDUM FOR: Admiral John M. Poindexter
Deputy Assistant to the President
on National Security Affairs

SUBJECT: National Policy on Telecommunications and
Automated Information Systems Security (U)

REFERENCE: NSC Draft Revision of PD/NSC-24, subject as
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2. Other issues we believe should be addressed are noted in Attachment 2. (U)

4.2. I fully support the need for an improved approach to dealing with problems in telecommunications and information systems security and believe we can reach agreement on how to deal with our immediate concerns. (C)

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[redacted]
John N. McMahon
Deputy Director of Central Intelligence

Attachment:
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Attachment 1

Page 3, paragraph 4.a.(4) -

Review and approve consolidated COMSEC Resources Program (CRP) and budget proposals. This responsibility does not involve those responsibilities connected with the overall NFIP budgetary process.

Page 6, paragraph 6.g. -

Develop and submit to the Steering Group a proposed COMSEC consolidated resources program budget for each fiscal year.

Page 6, Paragraph 7.b. -

Conduct foreign communications security liaison relationships, except for those foreign liaison relationships conducted for intelligence purposes in accordance with policies formulated by the Director Central Intelligence.

Page 7, paragraph 7.d.

Assess the overall security posture and disseminate information on hostile threats to national telecommunications and automated information systems security.

Page 7, paragraph 7.g.

Review annually the system security program and resources requirements of the departments and agencies of the Government and submit this to the Executive Agent.

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Attachment II

1. Pages 4, 5 and 7 - The authority for the publication of policies, directives and guidelines is not clearly defined. There is ambiguity between paragraphs 5.b.(1), 5.b.(4), 6, 6.c, and 7.f. These paragraphs should be rewritten for clarity. The NCSC charter provides a mechanism for the review and coordination of proposed National Policy Directives by the heads of departments and agencies prior to promulgation. Such a mechanism is implied in paragraph 5.b.(4), but is contradicted by paragraphs 6, 6.c, and 7.f. (C)

2. Page 8, paragraph 10.b. change to read: "Provides the NTISSC, the Secretary of Defense ~~and~~^{or} the Director, National Security Agency authority to examine the facilities of other departments and agencies or monitoring official government telecommunications without receiving prior approval of the head of such department or agency." (C)

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FROM: DDA					
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FORM NO. 241
1 FEB 55REPLACES FORM 36-8
WHICH MAY BE USED.

(47)

C O N F I D E N T I A L

MEMORANDUM FOR: Admiral John M. Poindexter
Deputy Assistant to the President
on National Security Affairs
The White House
Washington, D.C. 20500

SUBJECT: National Policy on Telecommunications and
Automated Information Systems Security (U)

REFERENCE: NSC Draft Revision of PD/NSC-24, subject as
above, dated 3 April 1984

1. The proposed NSDD does not accurately recognize the DCI's statutory responsibilities and authorities as outlined in Executive Order 12333, dated 4 December 1981; the National Security Act of 1947, as amended; the CIA Act of 1949, as amended; or other applicable laws. Therefore, the DCI does not concur with the draft. During previous discussions of the reference, these issues have been pointed out to your staff, and I have provided what I feel are workable alternatives to the current proposal. Few of these issues have been addressed in the attachment to the reference. (C)

2. I agree with the need to review our national policy on the procurement of COMSEC equipment. The technology is available to solve many of our COMSEC problems. We need to better forecast our COMSEC needs, to provide funding to procure COMSEC products which are readily available, and to ensure that COMSEC equipment is readily available when required. The heads of departments and agencies and program managers have the responsibility for determining the priorities for COMSEC equipment along with their other program and budget submissions to the NFIP/NFIB. (C)

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SUBJECT: National Policy on Telecommunications and Automated Information Systems Security (U)

3. We do not have the technology to solve all of the problems in the newer area of computer security. It is not clear that we should simply seek a technological solution. Policies, procedures and technologies in this area must be oriented to a wide spectrum of information security requirements within the Government. While I fully support efforts to address the concerns of automated information systems security, the pace and extent of the proposed centralization of management for this area set forth in the referenced draft is premature. (C)

4. I do not agree with the broad responsibilities for automated information systems security given to the Executive Agent and the National Manager under the proposed draft. The proper role of these positions should be to recommend standards and procedures, and to identify products or systems which meet those standards. It is the operational managers who have the ultimate responsibility for all aspects of security within their departments and agencies. It is, therefore, their responsibility to select, implement and monitor the use of products or systems under their control. The DCI manages this for the Intelligence Community and specifies the minimum protection required for all automated systems processing intelligence information. (C)

5. The establishment of a central technical center to assess and disseminate information on hostile threats to national telecommunications and automated information systems security by the Director, NSA would remove the analysis missions from the CIA, DIA, FBI and the Intelligence Community Staff. I think this function should be assigned to the DCI. (C)

6. I support an annual reporting requirement to the President on the status of telecommunications and automated information security, but I feel that the department and agency heads should report to the NSC and the President using a format and procedure specified by an executive agent. This would force top level managers of departments and agencies to be more actively involved in the status of their security posture and provide the mechanism for the checks and balances that are needed to measure our progress in these areas. (C)

SUBJECT: National Policy on Telecommunications and Automated
Information Systems Security (U)

7. The DCI is responsible for arrangements with foreign governments on intelligence matters. The authorities of NSA to conduct such liaison and enter into agreements with foreign governments are limited and are to be in accordance with policies formulated by the DCI. The role of NSA as the National Manager should be to serve as a technical advisor. (C)

8. I will fully support focused efforts to develop an improved approach to dealing with the problems in telecommunications and information systems security throughout the Government. I believe that we can agree on ways and means to deal with our immediate concerns and that we should establish an appropriate forum in which to resolve the outstanding issues. I will be happy to work with you to accomplish these important objectives. (C)

9. Attached are specific comments on the attachment to the reference. (U)

John N. McMahon
Deputy Director of Central Intelligence

Attachment:
As Stated

SUBJECT: National Policy on Telecommunications and Automated
Information Systems Security (U)

ORIGINATOR:



William F. Donnelly
Director of Communications

16 May 1984

Date

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Distribution:

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C O N F I D E N T I A L

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SPECIFIC COMMENTS

1. Page 2 - The introduction to the draft NSDD states: "It is intended that the machinery established by this NSDD will initially focus on those automated systems which are connected to telecommunications transmission systems." The body of the NSDD does not follow this statement of intent and is all inclusive for automated information systems which create, prepare or manipulate information in electronic form for purposes other than telecommunications, and includes computers, word processing systems and associated equipment. The introductory statements should be deleted.

REASON: The draft NSDD does not acknowledge the existence of the DCI-sponsored Computer Security Program and efforts to develop safeguards tailored to reduce or eliminate threats and vulnerabilities to automated systems processing intelligence information. The transfer of this responsibility to NSA, as proposed, is unacceptable.

2. Pages 4, 5 and 7 - The authority for the publication of policies, directives and guidance is not clearly defined. There is ambiguity between paragraphs 5.b.(1), 5.b.(4), 6, 6.c, and 7.f

REASON: These paragraphs should be rewritten for clarity. The NCSC Charter provides a mechanism for the review and coordination of proposed National Policy Directives by the heads of departments and agencies prior to promulgation. Such a mechanism is implied in paragraph 5.b.(4), but is contradicted by paragraphs 6, 6.c and 7.f.

3. Page 3 - Paragraph 4.a.(4) - Recommend deletion.

REASON: The DCI is responsible for the development, with the advice of the program managers, departments and agencies concerned, the consolidated National Foreign Intelligence Program budget - including the Cryptologic Program.

4. Page 4 - Paragraph 4.a.(5) - Rewrite as follows: (5) On matters pertaining to the protection of intelligence sources and methods; conform to applicable laws and the policies and directives of the Director of Central Intelligence.

REASON: Recognize the statutory responsibilities of the Director of Central Intelligence to protect intelligence sources and methods.

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5. Page 4 - Paragraph 4.b - Rewrite as follows: b. The executive secretary to the systems security Steering Group shall be appointed by the Chairman of the National Telecommunications and Information Systems Security Committee (NTISSC).

REASON: The executive secretary should be responsive to the NTISSC membership or he/she could initiate Steering Group actions without the knowledge or consent of the chairman of the NTISSC and its members.

6. Page 4 - Paragraph 5.a. - Rewrite as follows: a. ...The Committee shall be chaired by a representative of the Secretary of Defense and shall be composed of a voting representative of each of the following:

REASON: Each representative to the NTISSC should be a voting member on deliberations by the NTISSC in executive session as well as proposed policies and procedures submitted to the NTISSC members for consideration.

7. Page 5 - Paragraph 5.(3) - Delete the parenthesis around the expression at the end of the sub-paragraph and substitute sponsored for managed in the last line.

REASON: For clarity and to be consistent with other portions of the draft.

8. Page 5 - Paragraph 5.c. - Rewrite to define the missions, functions and membership of the two permanent subcommittees.

REASON: These two permanent subcommittees are, or should be, the focal point for developing policies and procedures for submission to the NTISSC membership for promulgation as National Standards. All members of the NTISSC should be represented on the two permanent subcommittees.

9. Page 5 - Paragraph 5.d. - Rewrite as follows: The Committee shall have a permanent secretariat composed of personnel from the departments and agencies represented on the Committee.

REASON: The Committee should determine the composition of the secretariat and who will provide the support facilities.

10. Page 6 - Paragraph 7.a. - Delete this subparagraph.

C O N F I D E N T I A L

REASON: Under existing law NSA does not have the authority to monitor government telecommunications without the consent of the head of the department or agency and the knowledge of the persons or users of the system being monitored.

11. Page 6 - Paragraph 7.b. - Delete this subparagraph.

REASON: Too broad in scope and does not recognize the DCI responsibilities and authorities for arrangements with foreign governments on intelligence matters. The authorities for NSA to conduct liaison, and reach agreements with foreign governments are limited and are to be in accordance with procedures formulated by the DCI.

12. Page 7 - Paragraph 7.d. - Delete this subparagraph.

REASON: The establishment of ...a central technical center to assess and disseminate information on hostile threats to national telecommunications and automated information systems security and to assess the overall security posture... by NSA, would remove the analysis missions from the CIA, DIA, FBI and the Intelligence Community Staff.

13. Page 7 - Paragraph 7.g. - Delete this subparagraph.

REASON: See paragraph 3, above.

14. Page 7 - Paragraph 7.h. - Delete this subparagraph.

REASON: See paragraph 12, above.

15. Page 7 - Paragraph 8.c. - Delete this subparagraph.

REASON: See paragraph 12, above.

16. Page 8 - Paragraph 10.b - Delete this subparagraph.

REASON: See paragraphs 10 and 12 above.

17. Page 9 - Paragraph 11 - Add subparagraph e, as follows: e. Government means the Executive Branch of the Government of the United States of America.

REASON: To be consistent with the authorities of Executive Orders.

18. Page 10 - Paragraph 14. Delete this subparagraph.

C O N F I D E N T I A L

REASON: This paragraph should be combined with subparagraph 2.d or paragraph 13. There should be one concise, all inclusive statement.

C O N F I D E N T I A L